

In response to a letter dated July 25, 2007 from the FEC, we filed an amendment to our 2006 April Quarterly report (FEC-210601) to correct the year to date balances on the summary and detail pages, and made a correction the election period for John Dingell.

The following is a summary of responses provided to Sylvette Seay, Campaign Finance Analyst, in our letter dated August 18, 2007.

I am writing in response to your letter of July 25, 2007, which requested information regarding several items in the 2006 Amended April Quarterly Report of the Verizon Communications Inc. Good Government Club ("Verizon PAC"). Item 1 of the July 25, 2007 letter identifies a discrepancy between the cash on hand at the end of the reporting period and the year-to-date cash on hand amount. This was incorrectly reported, and we will be amending the report to reflect the true calendar year-to-date amounts for that period. This discrepancy was the result of user error with respect to the software used for processing the report. We will review these entries more closely prior to submitting reports in the future.

Item 2 in your letter identifies contributions to John D. Dingell for Congress Committee, which, in your opinion, appeared to exceed applicable contribution limits. Two of the contributions listed in your letter were made by the MCI PAC prior to its affiliation with the Verizon PAC. However, it appears that you have counted towards the applicable limits contributions made by the MCI LLC Employees Political Action Committee ("MCI PAC") prior to the date it became affiliated with the Verizon PAC. The Verizon PAC (C00186288) and MCI PAC (C00142836) became affiliated in January 2006. Contributions made by affiliated PACs prior to the date of their affiliation are not subject to a shared aggregate limit. See Advisory Opinion 1985-27. Therefore, as you and I discussed in our telephone conversation of August 9, 2007, the contributions cited in your letter are in fact permissible. However, even when the MCI PAC contributions are excluded, the report makes it appear that the Verizon PAC's contributions to the candidate still exceed the applicable limits. This is due to a mistake in reporting the March 15, 2006, contribution to Dingell for Congress. This check was reported as having been made to the 2006 primary election, when in fact it was made for the 2006 general election. We will be processing an amendment to the April Quarterly Report to reflect the correct election period for this contribution. In an effort to avoid similar problems in the future, we are adding an additional review to our disbursement process to help ensure that contributions are being attributed to the correct elections. We are also exploring improvements to the software used to manage our contribution process which would help prevent this type of mistake from being made in the future.

Item 3 in your letter identifies a contribution to a candidate (Hatch Election Committee Inc.) that appeared to exceed applicable contribution limits. The contributions made by the MCI PAC prior to its affiliation with the Verizon PAC do count towards applicable limits when determining whether those PACs may make contributions after the date of affiliation. The March 29, 2006, contribution to the Hatch Election Committee was made after the date of affiliation, and would therefore be considered excessive. While your letter refers to the March 29, 2006, contribution as a refund, it should be noted that it was never deposited by the Hatch Election Committee, and was voided. Therefore, no further action is necessary with respect to this contribution. As noted in the previous paragraph, we are exploring improvements to the software and process used to manage our contribution process which should help avoid situations like this in the future..

If you have any questions about this matter, please contact me at 609-406-7153.

Sincerely,

Karen Andrew
Assistant Treasurer
